

HOUSE BILL 4168

By Odom

AN ACT to amend Tennessee Code Annotated, Title 7,
relative to municipal stadium seat privilege tax.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 7-3-202, is amended by deleting the section in its entirety and by substituting instead the following:

(a) As used in this section, unless the context otherwise requires:

(1) "Metropolitan government" means those counties and municipalities adopting the metropolitan form of government; and

(2) "Municipal stadium" means a structure with seats for not less than thirty thousand (30,000) spectators, which is constructed after July 7, 1977, and which is used primarily for sporting events and other related activities and financed by general obligation bonds, revenue bonds or other indebtedness issued by the metropolitan government or any public instrumentality thereof.

(b)

(1) There is hereby authorized a privilege tax upon the privilege of attending any event at the municipal stadium in an amount not to exceed ten percent (10%) of the consideration charged for spectators attending the event. The amount of the tax shall be approved by ordinance of the metropolitan council.

(2) The tax levied pursuant to this section shall be in addition to all other taxes levied or authorized to be levied whether in the form of excise, license, or privilege taxes, and shall be in addition to all other fees and taxes now levied or authorized to be levied.

(c) The tax shall be added by each promoter of the event to the ticket price charged for admission to the municipal stadium. The tax shall then be remitted to the metropolitan government.

(d) An administrative fee of up to two percent (2%) of the amount of the tax may be authorized by the metropolitan government to be deducted from the amount of the tax to defray the cost of accounting and remitting the tax to the metropolitan government.

(e) The proceeds from the tax levied in this section shall be retained by the metropolitan government or appropriated by the metropolitan government to any public instrumentality thereof charged with operating the stadium or obligated to pay debt issued or incurred in connection therewith. Such tax shall be utilized to defray the cost of operating and constructing the municipal stadium, or to pay debt service on bonds or other indebtedness issued or incurred to finance the construction, renovation, expansion or other improvement of the stadium.

(f) The provisions of this section shall only apply to those counties having a metropolitan form of government.

(g) This section shall take effect upon the approval by a two-thirds (2/3) vote of the local legislative body of the metropolitan government.

SECTION 2: This act shall take effect upon becoming law, the public welfare requiring

it.